

# FY 2005: Year in Review

Type of Project	Number of Applications	Proposed Capital Costs	Approved As Is	Less	Withdrawn Denied	Capital Cost Savings			
<b>Projects</b>									
Hospitals	30	\$628,744,441	26	3	0	1	\$1,769,465		
Nursing Homes	11	30,498,757	11	0	0	0	0		
Freestanding	5	11,108,181	5	0	0	0	0		
Residential Care	13	30,728,804	13	0	0	0	0		
Cost Overruns	3	10,255,130	3	0	0	0	0		
<b>SUB-TOTAL</b>			<b>62</b>	<b>\$711,335,313</b>	<b>58</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>\$1,769,465</b>
Non-App. Requests	65	29,913,231	65	0	0	0	0	n/a	
<b>GRAND TOTAL</b>			<b>127</b>	<b>\$741,248,544</b>	<b>123</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>\$1,769,465</b>

In FY 2005, the Certificate of Need Program experienced a substantial growth not only in the number of applications (62 vs. 48), but project costs also increased by nearly 157% over those reviewed in FY 2004. Furthermore, program revenues in the form of application fees substantially exceeded the cost to administer the program.

Long-term care (LTC) activity continued to be steady. The following chart provides a breakdown of the LTC proposals processed in FY 2005:

## Long Term Care Proposals Processed in FY 2005

	ICF/SNF		RCF		LTCH		TOTAL	
	Proposals	Beds	Proposals	Beds	Proposals	Beds	Proposals	Beds
<u>Full Applications</u>								
– New Facility	0	0	2	62	2	54	4	116
– Expansion	1	9	3	21	0	0	4	30
<u>Expedited Applications</u>								
– Bed Purchase	6	202	1	20	n/a	n/a	7	222
– Bed Replacement	2	128	4	203	n/a	n/a	6	331
– Renovate/Modernize	2	180	3	144	n/a	n/a	5	324
<u>Non-Applicability</u>								
– 10-Bed/10%	8	57	9	32	n/a	n/a	17	89
– < \$600,000	3	37	19	360	n/a	n/a	22	397
<b>TOTAL</b>	<b>22</b>	<b>613</b>	<b>41</b>	<b>842</b>	<b>2</b>	<b>54</b>	<b>65</b>	<b>1,509</b>

Although LTC proposals involving 1,509 beds were reviewed in FY 2005, all of them did not involve additional beds.

The seven *purchase* and six *replacement* applications for Intermediate Care Facility/Skilled Nursing Facility (ICF/SNF) and Residential Care Facility (RCF) projects allowed 553 beds to be moved from one location to another. The five *renovation/modernization* applications allowed an additional 324 beds to be upgraded in place. Therefore, the actual number of “additional beds” reviewed in FY 2005 was **632**.

Finally, all of the additional LTC beds reviewed were not developed. One application for 24 (Long-Term Care Hospital (LTCH) beds was withdrawn. Also, two non-applicability proposals for 31 beds were deemed null and void. As a result, the actual number of additional LTC beds to be developed from actions taken in FY 2005 was **577** (75 ICF/SNF, 472 RCF and 30 LTCH).